

BIG REALTY COMPANY SHOWS NEW YORK'S FINANCIAL DANGER

Loss in Income From Property Despite Larger Revenues Attributed to Tax Situation—Constitutional Debt Limit Reached, Says Laurence McGuire.

There is one point in the excellent report of Laurence McGuire, president of the United States Realty and Improvement Company, to his stockholders at the end of his first year in office which warrants the consideration of every thoughtful man who has the welfare of New York city at heart. It indicated the condition into which much high class real estate has fallen as the result of being overburdened with taxation and suggests the thought that the time has come when others than real estate men must give serious consideration to the problems of municipal taxation if the city is to be saved from going beyond the limit of its financial resources.

Mr. McGuire says in his report: "Leases expiring at April 30, 1918, have been renewed at an increased rental, which, in part, tend to relieve the constantly increasing cost of taxes and other operating expenses. Each year brings an increased real estate tax and it is generally conceded that some definite action must be taken in the near future to secure sources of revenue other than from real estate to meet the growing cost of State and municipal governments. When State and city taxation is more equitably distributed and cost of producing real estate is reduced, the normal value may be properly adjusted and the net income from productive real estate become much more stable."

While the gross income from productive real estate showed an increase last year, operating and general maintenance costs have increased so rapidly that the net income was not increased. In fact, while the three largest buildings under the company's ownership have enjoyed a greater income by \$92,000 during the last year, their net income was not so good as in the preceding year. Two of the well known office buildings down town paid \$46,000 more in taxes last year than in 1916, although there was no increase in the assessments.

If a statement of such conditions were made by any other than the United States Realty and Improvement Company it might be passed over as an incident rather than a rule, but when it comes from the largest real estate corporation in the world it needs some explanation. When Mr. McGuire was asked about it he declared that conditions in this city's finances are so bad that those who have New York's welfare at heart must take notice, for the tax limit has been reached so far as real estate is concerned.

The Tax Department has not the courage to increase assessments," he continued. "With no increase and a constantly rising tax rate we are within reach of the limit of the city's capacity. Real estate owners have little to fear, but much more to them for it is a small point between present conditions and the limit."

"Deficit on subway operations this year probably will reach from \$10,000,000 to \$15,000,000, which must be placed on the city's budget. The enormous multiplying obligations make it appear quite apparent that the constitutional debt limit will be reached shortly."

It is the belief of the city securities who must do the worrying from now on, according to the head of the big real estate company, it has been understood for some time that the city was bearing too great a part in the maintenance of the city government and it was not from selfish reasons alone that the real estate owners of the city called attention frequently to the situation.

"When this, the largest real estate concern in existence, reports a large increase in its gross income and an actual decrease in its net income on all property 100 per cent. improved, it behooves the city authorities to set about finding some new sources of revenue and to stop plugging it on real estate."

"City and State commissions have been appointed to look into this matter and to suggest some alternatives for present methods. And they have done not one single thing. I believe that the most equitable plan would be to enact a reasonable and fair personal property tax law, calling for the payment of a reasonably small tax. If the same rate is applied to personal property as to real estate holders of personal property will hide it and will not pay the tax. A small rate would produce enough revenue to make the city's financial condition comfortable."

Mr. McGuire declared that the report of his company also refutes any charge that has been made of rent profiteering in this city. He declared that in view of increased carrying charges and operating expenses an actual loss is being suffered on leases made three years ago. Taxes, he said, are the largest item, proportionately, that the company has to meet.

J. R. MURPHY COMES BACK.

James R. Murphy, who for eight months has been handling real estate

matters in the office of the Allen Property Custodian at Washington, D. C., where he has been associated with Laurence McGuire, president of the New York Board of Real Estate Brokers, has returned to his duties as general manager of Joseph P. Day's office. Mr. Murphy will continue to devote part of his time to Government work at Washington.

HIGH RENTALS ARE NOT NECESSARY

Allan Robinson Says 30 Per Cent. Increases Are Not Well Founded.

The duty of the landlord to his tenant at all times and especially in these days of war stress, when the increasing cost of living expenses, as well as of labor and material, places unusual burdens on both, is emphasized in the annual report and statement of earnings of the City and Suburban Homes Company, issued yesterday by its president, Allan Robinson. The housing problem which confronts the United States Government through its control of shipyards and other industrial plants connected with war work is touched on from the point of view of an organization which houses 15,000 wage earners, and ways are suggested by which the company can increase its income and its tenants' without unduly raising the rent.

The statement points out that rents were raised throughout the city from 10 to 30 per cent., but in many cases this represented what the landlords could get, rather than what they really needed to meet their heavier expenses. The City and Suburban Homes Company increased its rent on an average of 4 per cent., but does not intend to make any further increase.

To supply its tenants with heat the company used eighty-five tons of coal a day. With the exception of only four days it gave all its tenants heat throughout the winter period, and during these four days still kept up the hot water supply. To compensate them for the lack of heat it allowed a rebate of 10 cents a day of rent to each tenant for the four days. It would have been cheaper to have furnished the heat. The heat schedule was better than that maintained in many high class apartment houses.

There is food for thought for the landlord who is content to accept a fair profit on his investment in what the statement says of its service to its tenants and the cost. All of the larger of the various City and Suburban Homes properties have their own branch offices, with their own corps of managerial, operating and mechanical employees. The executive staff of the company is subject to call at any time of the day or night, and officials from the main office make daily and often nightly inspections of the properties. This means higher operating costs than is usual for tenant properties. Exclusive of Federal, State and city taxes the operating costs in this case are 34 per cent. of the gross receipts, much higher than those of the average high class apartment house. But it means more and better service for the tenants.

"It may be said," continues the statement, "that what we are doing is the duty of service for our tenants amounts to paternalism—and perhaps that characterization of it is correct to-day. Fifteen years ago it would have been paternalism to do what the United States Steel Corporation is now doing in welfare and safety work for its employees. What was paternalism then is now considered a factor in efficiency, as well as a duty imposed by society. The recognition of the duties of land ownership has not kept pace with the recognition of the duties of industry, and if our service is paternalistic to-day we are quite willing to pursue the even tenor of our way, entirely confident that in the not far distant future the path this company has blazed will be followed by landlords generally, whether they want to follow it or not."

"It is inevitable that, with the awakening of public consciousness to the vital importance of decent housing accommodations, the trust which society permits the owners of land to administer will be continued in such owners only so long as it is administered for the public benefit at reasonable rates to the use of capital invested."

Mr. Robinson, who was called to

Washington by the United States Shipping Board for consultation regarding the housing of workers at Hog Island and other plants under its jurisdiction, refers to the need of the shipyards, munition plants and allied industries workers for cleanliness, sanitation, recreation and housing conditions which will not only make them individually happier but will increase their efficiency and thereby help win the war. Practically all of the heads of the families housed by his company are wage earners, and his experience of what good homes do for the efficiency of the wage earner leads him to the belief that the Federal Government, through its own representatives rather than through those of subsidiary companies, should take complete charge of the housing and home surroundings of the men and women whom it is depending for ships and war materials. The City and Suburban Homes Company not only met its dividend requirements and all other charges but increased the reserve for reproduction of buildings to \$128,940.27.

FOOD FOR THOUGHT.

Great Activities Will Mean More Homes and Factories.

New York is rapidly becoming the world's center of finance, industry and commercial activity. Some statistics according to the New York Building Managers Association bulletin, has declared that in New York city every day 2,657 passenger trains arrive, every minute 280 visitors arrive, every day 350 new citizens come to New York to live, every forty-two seconds in normal times an immigrant lands.

These figures make it absolutely accurate, but one thing is certain: New and ever increasing demands will be made upon this city and its environs for homes, apartments, offices, sales rooms and factories. The total amount of real estate cannot be increased—one lot cannot be made into five. Wise is the man who takes advantage of the present opportunities.

FARMERS' HELP TO BE ASKED.

Local Realty and Business Men to Urge Cooperation.

The Society for the Prevention of Property Rights in New York City has mapped out a programme for curing legislation which it is to ask the farmer organizations which will meet in convention in Albany on June 7 to support. The society wants the farmers to help bring about the repeal of socialistic legislation, price fixing and State and city control of foods. Greater power is to be urged for the Board of Standards and Appeals, and mandatory measures and attempts at municipal ownership of the operation of public utilities are to be opposed.

Other features of the programme which the farmers will be asked to support are a fixed tax rate on real estate not exceeding 2 per cent. per annum, a new city charter providing the simplest and most economical form of government during the war and for five years after the war. In return the committee will pledge the earnest cooperation of the business men's and taxpayers' organizations of the city of New York.

WOMEN RUN SINGER LIFTS.

21 Operators Now in Charge of Big Building's Elevators.

In view of Gen. Crowder's recent draft order it is interesting to note that Major Bleeker, manager of the Singer Building, is now using successfully twenty-one female elevator operators and four women starters. The girls are clad in neat blue serge uniforms and are businesslike in appearance and polite in manner. Major Bleeker does not consider his experiment as such, but prefers to speak of the innovation of women operators in the light of a permanent established benefaction and something to be thankful for. He has not received a single complaint of the service from tenants, and the operators all express themselves as highly pleased with the work.

One of Great Neck's Most Attractive Homes Purchased by P. G. Wodehouse

P. G. Wodehouse, author and playwright, has purchased through L. G. Wolf the Lillius Grace estate in the Bay View section of Great Neck, L. I.

It consists of a plot of land of three acres with a frontage of 400 feet on Arden Avenue and a large English Colonial residence. After extensive alterations are made Mr. and Mrs. Wodehouse will occupy the premises. It is considered one of the show places of the section.

Mr. Wodehouse, who for eight months has been handling real estate

New York, representing 90,000 wholesale and retail dealers and 180,000 taxpayers. Edward P. Doyle, chairman of the temporary organization of taxpayers and business men's organizations, has appointed the following committee to attend the farmers' convention: Max Just, Taxpayers' Alliance, Borough of The Bronx; Henry Bloch, Twelfth and Nineteenth Ward Taxpayers' Association; George H. Stoge, Receivers and Distributors Association; Julius D. Mahr, president Mercantile Exchange; Thomas F. Krekeler, United Property Owners Association; Peter P. Cappel, president of the West Side Taxpayers Association; Charles H. Haslam, Retail Grocers Association; and G. F. H. Bohlen, Eighteenth and Twenty-first Ward Taxpayers Association.

ANY PROFITEERING HERE?

Real Estate Board Wants to Know and Will Join Inquiry.

The Real Estate Board of New York is so interested in the resolution recently introduced in the Board of Aldermen calling for an investigation to determine whether there has been any profiteering in rents that it has expressed a desire to cooperate in the investigation. The resolution was considered at a recent meeting of the board of governors, and it was decided to notify the Board of Aldermen that if a committee should be appointed to investigate the rent conditions that the Real Estate Board be permitted to lend its fullest cooperation. In relation to the matter Richard O. Chittick, executive secretary of the board, made the following statement:

"The Real Estate Board of New York in offering its cooperation to the Board of Aldermen has made no subject in view. Rents have increased in the last few months. In some cases the increase is slight. In many it represents only a return to the rates obtainable at an earlier period. In some cases the increase has been considerable. There may, of course, be individual cases where the increase has been too great. But well informed persons do not believe that rent profiteering exists to any appreciable extent. It is well known that the operating expenses of buildings, just as in other lines of enterprise, have increased greatly."

"What the Real Estate Board of New York wishes to make sure of is that any investigation that is made should be thorough and impartial so that the resulting report may be based on actual facts. If there is any extensive rent profiteering the Real Estate Board of New York is as anxious as any one to bring it to light."

FACTORY PROPERTIES.

SALE ON HAND.

FACTORIES EVERYWHERE.

Robert A. Moutenburgh, Newark, N. J.

NEWARK ASSEMBLYMAN SELLS.

Assemblyman Howell L. Lord has sold the three frame houses at 113 to 115 Bleeker street, East of High street, Newark, N. J., to B. L. Lightfoot, for investment purposes. Louis Schlesinger negotiated the sale. The same broker has sold for the Smith estate property at 351 Market street, Newark, and running through to 164 Commerce street, to Bartholomew San Giacomo. The new owner will make extensive improvements.

REAL ESTATE WANTED.

REAL ESTATE WANTED.

Private Houses Wanted

We have customers to purchase private houses in residential neighborhoods. Send full details.

J. CLARENCE DAVIES

149th Street and Third Avenue.

BROOKLYN—FOR SALE.

FIRE AND CLEAR BRICK property for sale. Jerome avenue, near 48th street, 2 lots. Stabling, swimming pool, tennis court, 4 lots. Webster avenue, near 24th street, 3 houses. Hester street, 4 houses.

CHANCE—Business corner apartment house with stores, rent \$11,000. Leased to one party for 47 months. Price for \$65,000. Your chance. H. T. Wood, 220 Broadway.

REAL ESTATE.

JERE JOHNSON JR. CO.

Real Estate Auctioneers

112 M. avenue M., Brooklyn. Tel. Main 1234.

CHAS. F. NOYES CO.

Real Estate

97 William street, John 2008.

Specialists in

527 S. AV.

Weather and

Nearby Connecticut Properties, Insurance.

CITY REAL ESTATE.

HESS Business Property

REALTY CO. TO SELL HOLDING.

More Than 100 Brooklyn Houses to Be Disposed of Quickly.

The Realty Associates is revising its list of holdings so as to meet the demand for dwellings and business properties caused by the stopping of building operations due to the high cost of labor and material.

The company owns approximately 100 dwellings in Brooklyn in addition to a large number of business blocks and many building plots suitable for factories and other industrial plants. All houses will be placed on sale at an early date and at reduced prices. The houses were built when labor and material were cheap. In the main they are commodious, convenient and well located, and could not be reproduced now at any price like the price to be placed on them. Many of them can be modernized at small cost or altered into handsome income properties of the two family type.

Robert Wheeler, manager of the department of homes, said yesterday that the company had sold fifteen houses within the past sixty days and that the increasing demand for three story and basement houses seemed to reflect the distinct advance in rents for apartments and one family dwellings.

Five recent sales made are of this type. They are 488 Ninth street, a three story and basement brick one family dwelling; 1 and 3 Jefferson avenue, of two three story and basement brick dwellings; 364 Third street, a part of Underhill avenue, three story and basement brownstone dwelling and 94 St. James place, a three story brick and stone one family dwelling.

TAKES MAIDEN LA. BUILDING.

Importers to Pay \$125,000 for New Home Near Federal Bank Site.

The Charles F. Noyes Company has leased for Seth Sprague Terry and the estate of Alfred L. White to Hammel, Richter & Co., importers, at an aggregate rental of about \$125,000, the building at 57 Maiden lane, between William and Nassau streets, and opposite the site purchased by the United States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

FOR SUMMER, in or near city, garden, porch, \$100. A. box 142 Sun office.

States Government for the home of the Federal Reserve Bank. Hammel, Richter & Co. will occupy the entire building for its own purposes. The structure is fireproof, and a few doors from the present offices of the company.

William A. White & Sons have leased to Leo B. Spiegel a building at 48 West Twenty-seventh street, also a loft space at 130 Bleeker street to Samuel Marks.

IMMEDIATE possession a lovely room and bath, Riverside, 43rd, phone 854-1234.

APARTMENTS TO LET.

4 ROOMS, all improvements, beautiful location, select families only, subway station 124th St., 430, 2228 Creston Ave., Bronx 124th St.

UNFURNISHED APARTMENT WANTED.

WANTED—5 or 6 room furnished apartment for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry, reasonable rent. Box 124 Sun office.

UNFURNISHED APARTMENT WANTED.

WANTED—Unfurnished house below East 64th st. for three adults, responsible party, house must have electricity, 3 bathrooms, butler's pantry,